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TAGS: [ENRG](#) [PREL](#) [TRGY](#) [KNNP](#) [IN](#)

SUBJECT: US-India Meeting on Arrangements and Procedures for  
Reprocessing of US-obligated nuclear material, Day Two/ Conclusion

REF: UNVIE 350

¶1. (SBU) The second day of the U.S.-India discussions (Wednesday, July 22) on the agreement for arrangements and procedures for reprocessing saw only a relatively brief, but productive, afternoon meeting. The Indian delegation first reported that it had met earlier in the day with the IAEA Deputy Director General (DDG) for Safeguards to discuss aspects of the draft text of Article 2 (substance of safeguards). Dr. Grover of the Indian delegation reported that the DDG had stated the same views to the Indian delegation that the IAEA Legal Affairs department had already voiced to the U.S. delegation; namely, that the draft agreement should avoid being prescriptive (thereby tying the hands of the IAEA) and instead be descriptive in the nature of the safeguards relationship between the IAEA and India, leaving the Agency to determine what it best needed. The Indian side seemed to be accepting this advice.

¶2. (SBU) Dr. Grover then noted that the two sides had gone through most of the text of the draft reprocessing agreement on July 21 (reftel), leaving only the preamble (comments to be provided later) and the substance of Article 2 (the specific provisions regarding the nature of an effective reprocessing plant safeguards system.) The two sides then worked through Article 2, with the Indian side providing some initial thoughts on wording changes to the draft text. The U.S. delegation found that many of the proposed changes were acceptable on their face, although some of the changes would need to be further studied by experts in Washington. In brief, the Indian side worried that such requirements as "shared instrumentation" compromised the ability of the operator to operate the plant efficiently, e.g. if process control changes could not be implemented without a lengthy IAEA review process. The U.S. side noted that we were proposing the usual practice of sharing data, not allowing the IAEA to control the operator's instrumentation.

¶3. (SBU) The two sides completed their pass through Article 2 (substance of safeguards) in relatively short order, with Grover accepting several paragraphs unchanged. The framework of the U.S. text and safeguards concepts laid out in Article 2 was not commented upon by the GOI. The two sides agreed that while some changes appeared acceptable to both sides, the entire text was ad referendum to capitals and that "nothing was agreed until everything was agreed."

Next Steps  
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¶4. (SBU) Although a follow-on meeting at the IAEA General Conference was discussed, schedules did not coincide. The two sides agreed to exchange comments on the draft proposal by 22 September 2009, following the General Conference. The next general meeting

was tentatively scheduled for October 8 and 9 at UNVIE Mission, a week in which Dr. Grover would already be in Europe.

#### Assessment

15. (SBU) As reported reftel, the U.S. delegation believes that substantial progress was made. There are issues that require additional drafting, but so far there do not seem to be any deal breakers. After a slow start, the GOI delegation clearly received instructions to proceed through the text apace. Of particular note were (1) the Indian del did not try to table a competing text, (2) they accepted the substance and structure of Article 2 (substance of safeguards), and did not try to delete a single paragraph, (3) they sought their own appointment with the DDG (Safeguards) and acknowledged receiving the same advice as the U.S. had received from the IAEA lawyers (we acknowledged our consultations with the Legal Adviser), and (4) they were at least initially favorable to a trilateral meeting with the IAEA to iron out a final text acceptable to the IAEA. In closing, we reiterated our desire to finish by the end of this calendar year, well ahead of the one year deadline next July.

#### Participants

##### 16. (U) Indian Delegation:

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##### U.S. Delegation:

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Sean Oehlbert, DoE NA-24  
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UNVIE A/DCM Mark Scheland  
Notetaker: Ben Heath

##### 17. (U) USDEL cleared this message.

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